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## UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D.C. 20555-0001

February 8, 2018

Mr. Wyatt Padgett Licensing and Performance Assessment Manager Louisiana Energy Services, LLC P.O. Box 1789 Eunice, NM 88231

SUBJECT: LICENSE EXEMPTION REQUEST FOR REQUIRING GAMMA OR NEUTRON SENSITIVE RADIATION DETECTORS IN OUTDOOR 30B CYLINDER STORAGE AREAS (LAR 17-03)

Dear Mr. Padgett:

On July 11, 2017, Louisiana Energy Services, LLC (LES), doing business as URENCO USA (UUSA) submitted License Amendment Request (LAR) 17-03 (Agencywide Documents Access and Management System [ADAMS] Accession Number. ML17200C951) to expand the area exempt from criticality monitoring requirements of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 70.24, "Criticality accident requirements," to include the outdoor cylinder storage pad for 30B Uranium Hexafluoride (UF<sub>6</sub>) cylinders. The licensee requested a conforming license amendment to implement this exemption.

As documented in the Safety Evaluation Report included as enclosure 1, the U.S. Nuclear Regulatory Commission (NRC) staff has reasonable assurance that the storage of 30B UF<sub>6</sub> cylinders on the Uranium Byproduct Cylinder Storage Pad will remain subcritical under all normal and credible abnormal conditions. The NRC staff concludes that the risk of an inadvertent criticality is extremely low. Therefore, in accordance with the requirements of 10 CFR 70.17, "Specific exemptions," the staff finds the exemption is authorized by law, that it will not endanger life, property, or the common defense and security, and that it is in the public interest.

The special nuclear materials (SNM) license SNM-2010 has been updated accordingly. License condition 33 has been revised as follows (revisions in bold text).

The licensee is exempted from the specific requirement in 10 CFR Paragraph 70.24(a) requiring gamma or neutron sensitive radiation detectors in the existing Cascade Halls and proposed future Cascade Halls that are designed consistent with the halls analyzed in LAR 13-01. This exemption is also granted for Outdoor 30B Cylinder Storage Areas as discussed in LAR 17-03.

Document Transmitted Contains Security Related Information. When separated from the Enclosures, this document is decontrolled. W. Padgett

All other conditions of this license shall remain the same. Enclosed are copies of the revised SNM-2010 license and the Safety Evaluation Report, which includes the Categorical Exclusion under 10 CFR 51.22(c)(25)(i-v) and (vi)(C).

This letter and the enclosed amendment conclude this action and close the assigned Cost Activity Code number 000224/07003103/L-2017-LLA-0372. If you have any questions regarding this matter, please contact Mr. Karl Sturzebecher at 301-415-8534, or via email at Karl.Sturzebecher@nrc.gov.

In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publically Available Records component of the NRC's ADAMS. ADAMS is accessible from the NRC Web Site at <a href="http://www.nrc.gov/reading-rm/adams.html">http://www.nrc.gov/reading-rm/adams.html</a>. The enclosures contain sensitive, unclassified information and are therefore deemed Official Use Only – Security Related Information. They will not be placed in the Public Document Room, nor will they be publicly available in the ADAMS.

Sincerely,

## /RA (BSmith for)/

Craig G. Erlanger, Director Division of Fuel Cycle Safety, Safeguards, and Environmental Review Office of Nuclear Material Safety and Safeguards

Docket No. 70-3103 License No. SNM-2010

Enclosures:

- 1. Safety Evaluation Report
- 2. Amendment 79 to LES License (Non-public)

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- SUBJECT: LICENSE EXEMPTION REQUEST FOR REQUIRING GAMMA OR NEUTRON SENSITIVE RADIATION DETECTORS OUTDOOR 30B CYLINDER STORAGE AREAS (LAR 17-03)

DATED: February 8, 2018

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